



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

JUL 09 2013

William A. Drake, Esq.  
Steptoe & Johnson LLP  
1330 Connecticut Avenue, NW  
Washington, DC 20036  
wdrake@steptoe.com

RE: MUR 6707  
Visclosky for Congress and  
Michael Malczewski in his official  
capacity as treasurer

Dear Mr. Drake:

On June 25, 2013, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 434(b), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by failing to report accurately its receipts. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003); Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Emily M. Meyers  
Attorney

Enclosure  
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION MAY -6 PM 12:16

In the matter of )  
 )  
Visclosky for Congress and Michael )  
Malczewski in his official capacity )  
as treasurer )  
 )

MUR 6707 OFFICE OF THE CLERK

CONCILIATION AGREEMENT

This matter was initiated pursuant to information ascertained by the Federal Election Commission (the "Commission") in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Visclosky for Congress and Michael Malczewski in his official capacity as treasurer ("Respondent" or "Committee") violated 2 U.S.C. § 434(b).

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Visclosky for Congress is the designated principal campaign committee for Peter J. Visclosky. Michael Malczewski is the Committee's treasurer of record.

2. The Federal Election Campaign Act of 1971, as amended (the "Act"), requires committee treasurers to file reports of receipts and disbursements in accordance with the provisions of 2 U.S.C. § 434. *See* 2 U.S.C. § 434(a)(1); 11 C.F.R. § 104.1(a). These reports must include, *inter alia*, the total amount of receipts and disbursements. *See* 2 U.S.C. § 434(b); 11 C.F.R. § 104.3.

3. The Act also requires committees to disclose itemized breakdowns of receipts and disbursements, and to disclose the name and address of each person who has made any contribution or received any disbursement in an aggregate amount or value in excess of \$200 within the calendar year, together with the date and amount of any such contribution or disbursement. *See* 2 U.S.C. § 434(b)(2)-(6); 11 C.F.R. § 104.3(a)(4), (b)(3)-(4).

4. Respondent contends that, in 2010, after discovering accounting inaccuracies related to a former employee, it notified the Commission's Reports Analysis Division ("RAD") that it had filed inaccurate disclosure reports. Respondent then filed amendments based on the advice of the RAD analyst.

5. On December 2, 2010 the Committee amended its 2008 October Quarterly Report, originally filed with the Commission, to disclose receipts totaling \$129,816.74.

6. Respondent violated 2 U.S.C. § 434(b) by failing to disclose accurately a total of \$129,816.74 in receipts on its 2008 October Quarterly Report.

V. 1. Respondent will pay a civil penalty to the Commission in the amount of Four Thousand Dollars (\$4,000), pursuant to 2 U.S.C. § 437g(a)(5)(B).

2. Respondent will cease and desist in committing violations of 2 U.S.C. § 434(b).

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3. Respondent will take the following compliance measures, some of which are already in place:

- a) The Committee will file accurate and complete disclosure reports with the Commission.
- b) The Committee will develop and operate under a written Financial Management Plan that specifies procedures for how donations, expenditures, credit card charges, interest earned on investments, and all other Committee transactions are processed, reviewed and disclosed to the Commission.
- c) The Financial Management Plan will specify internal and external accounting controls. As part of these controls, the Committee will review its bank statements and reconcile its accounting records each month. Further, the Committee will reconcile its bank records to its disclosure reports prior to filing. The reconciliations will be done by someone other than a check signer or an individual responsible for handling the Committee's accounting.
- d) The Financial Management Plan will require that the Committee's books be audited quarterly and reviewed by an independent compliance consultant.
- e) The Financial Management Plan will require that the signatories on all accounts are limited to the committee's current campaign aide, one additional campaign aide and Rep. Pete Visclosky, and will specify that all checks larger than \$1,000 must be authorized in writing or signed by at least two signatories, or both.
- f) The Committee bookkeeper and Committee staff member responsible for preparing FEC disclosure reports will attend a Commission-sponsored training program for campaign committees within one year of the effective date of the conciliation agreement.

VI. The Commission, on request of anyone filing a complaint under 2 U.S.C.

§ 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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VII. This agreement shall become effective as of the date that all parties hereto have executed the same and the Commission has approved the entire agreement.


VIII. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

IX. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained within this written agreement shall be enforceable.

FOR THE COMMISSION:

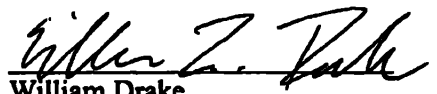
Anthony Herman  
General Counsel

BY:

  
Daniel A. Petalas  
Associate General Counsel  
for Enforcement

7/9/13  
Date

FOR THE RESPONDENT:

  
William Drake  
Counsel for Visclosky for Congress

4/24/13  
Date

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